

National Republican Senatorial Committee

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CRAIG M. ENGLE
GENERAL COUNSEL

R. BRIAN LEWIS
DEPUTY GENERAL COUNSEL

February 9, 2000

Hand Delivered

Dawn M. Odrowski, Esq.
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

CLOSED

Re: MUR 3774 National Republican Senatorial Committee,
Stan Huckaby, as Treasurer

Dear Ms. Odrowski:

This letter is in reply to your letter of January 28, 2000, inviting the National Republican Senatorial Committee (NRSC) to submit any additional factual and legal materials to the Commission that the NRSC would like to include on the public record in this matter.

This case has been pending at your agency for seven years. After lengthy discovery, depositions and arguments the Commission has agreed to our Conciliation Agreement which does not require the NRSC to admit that any violation occurred in this matter. That is appropriate because no violation actually did occur under the law or existing regulations of the Commission or was proven by the record in this case. Instead, the NRSC showed that it acted responsibly in this case; believed its donations fit within the exemption at 2 U.S.C. 431(9)(B)(ii); and that if any violation occurred in this matter it was not from the NRSC's use of the funds.

As the Agreement also notes, the Commission does not allege that any Republican candidates violated the Act or any regulations in this case. The Agreement also notes that the Federal Election Campaign Act does not, per se, prohibit the disbursement of non-federal funds by a party committee to non-party organizations, and that the NRSC entered into this Agreement simply to achieve a non-judicial resolution of this matter. The NRSC firmly believes that it would prevail on the merits if this matter proceeded to litigation and that no civil penalty would have been assessed even if a court agreed with the Commission's new interpretation of the law: but simply put, seven years of your process was penalty enough.

Fortunately, this case will be of no precedential value. The recent decisions in *Christian Coalition* and *California Democrats*, plus the Commission's on-going rulemakings on this topic, will give party committees prospective, cogent and a more reasonable interpretation

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of the law than came from this one, ill-defined enforcement case where no violation was proven or admitted.

Hopefully, the FEC can now put the 1992 and 1994 election cycles behind them and focus on the highly publicized irregularities of the Democrats in the 1996 election cycle.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig M. Engle", with a long horizontal flourish extending to the right.

Craig M. Engle
General Counsel

2004-03-27 14:00